

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 860

Introduced by Hughes, 44.

Read first time January 11, 2016

Committee:

- 1 A BILL FOR AN ACT relating to the Local Option Municipal Economic
- 2 Development Act; to amend sections 18-2701 and 18-2703, Reissue
- 3 Revised Statutes of Nebraska, and section 18-2705, Revised Statutes
- 4 Supplement, 2015; to authorize economic development programs
- 5 involving the construction or rehabilitation of certain housing; to
- 6 define a term; to require certain information in proposed plans; to
- 7 harmonize provisions; and to repeal the original sections.
- 8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 18-2701, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 18-2701 Sections 18-2701 to 18-2739 and sections 4 and 5 of this act
4 shall be known and may be cited as the Local Option Municipal Economic
5 Development Act.

6 Sec. 2. Section 18-2703, Reissue Revised Statutes of Nebraska, is
7 amended to read:

8 18-2703 For purposes of the Local Option Municipal Economic
9 Development Act, the definitions found in sections 18-2703.01 to 18-2709
10 and section 4 of this act shall be used.

11 Sec. 3. Section 18-2705, Revised Statutes Supplement, 2015, is
12 amended to read:

13 18-2705 (1) Economic development program means any project or
14 program utilizing funds derived from local sources of revenue for the
15 purpose of providing direct or indirect financial assistance to a
16 qualifying business or the payment of related costs and expenses or both,
17 without regard to whether that business is identified at the time the
18 project or program is initiated or is to be determined by specified means
19 at some time in the future.

20 (2) An economic development program may include, but shall not be
21 limited to, the following activities: Direct loans or grants to
22 qualifying businesses for fixed assets or working capital or both; loan
23 guarantees for qualifying businesses; grants for public works
24 improvements which are essential to the location or expansion of, or the
25 provision of new services by, a qualifying business; grants or loans to
26 qualifying businesses for job training; the purchase of real estate,
27 options for such purchases, and the renewal or extension of such options;
28 grants or loans to qualifying businesses to provide relocation incentives
29 for new residents; the issuance of bonds as provided for in the Local
30 Option Municipal Economic Development Act; and payments for salaries and
31 support of city staff to implement the economic development program or

1 the contracting of such to an outside entity.

2 (3) For cities of the first and second class and villages, an
3 economic development program may also include grants or loans for the
4 construction or rehabilitation for sale or lease of housing for persons
5 of low or moderate income.

6 (4) For cities of the first and second class and villages, an
7 economic development program may also include grants, loans, or funds for
8 rural infrastructure development as defined in section 66-2102.

9 (5) For cities of the first and second class and villages, an
10 economic development program may also include grants or loans for the
11 construction or rehabilitation for sale or lease of housing as part of a
12 workforce housing plan.

13 (~~6~~ 5) An economic development program may be conducted jointly by
14 two or more cities after the approval of the program by the voters of
15 each participating city.

16 Sec. 4. Workforce housing plan means a program to construct or
17 rehabilitate single-family housing or market rate multi-family housing
18 which is designed to address a housing shortage that impairs the ability
19 of the city to attract new businesses or impairs the ability of existing
20 businesses to recruit new employees.

21 Sec. 5. If the proposed economic development program involves the
22 making of grants or loans for the construction or rehabilitation for sale
23 or lease of housing as part of a workforce housing plan, the proposed
24 plan shall include:

25 (1) An assessment of current housing stock in the city, including
26 both single-family and market rate multi-family housing;

27 (2) Whether the plan will also include housing for persons of low or
28 moderate income under section 18-2710.01;

29 (3) Such other factors, as determined by the city, which are
30 particularly relevant in assessing the conditions faced by existing
31 businesses in recruiting new employees; and

1 (4) Such other factors, as determined by the city, which are
2 particularly relevant in assessing the conditions faced by persons
3 seeking new or rehabilitated housing in the city.

4 Sec. 6. Original sections 18-2701 and 18-2703, Reissue Revised
5 Statutes of Nebraska, and section 18-2705, Revised Statutes Supplement,
6 2015, are repealed.